

Mellon Township Limited

Directors' Report and Financial Statements

For the financial year ended 31 December 2015

Company Registration Number 389423

Charity Registration Number CHY 16238



Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

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Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

ADMINISTRATIVE DETAILS

Directors:	Niall Mellon Patrick O'Reilly Andrew Brennan Brian Higgins (resigned 24/03/2015)
Secretary:	Jacinta Morley
Company number:	389423
Charity registered number:	CHY 16238
Charities Regulatory Authority number:	20058074
Registered office:	Lynx House, Old Church Road, Lower Kilmacud Road, Stillorgan, Dublin.
Bankers:	Allied Irish Banks plc, Rathgar, Dublin 6W.
Auditors	BDO, Statutory Audit Firm, Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland
Mellon Housing Initiative	Mellon House, Corner van Riebeeck (R102) & Station Road, Blackheath, 7580, Western Cape, South Africa.
Mellon Educate (UK)	c/o Worthington Solicitors, 24-38 Gordon Street, Belfast, Antrim, BT1 2LG.
Solicitors:	Maguire McErlean Solicitors, 78-80 Upper Drumcondra Road, Dublin 9.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure

In preparing the financial statements the directors have exercised the options available to a small private company under the Companies Act 2014. Effective from 1 June 2015, the Companies Act 2014 defined a new type of company called a Designated Activity Company ('DAC'). The directors have yet to decide if the company should be converted to a DAC or remain a private company limited by shares.

Governance

Mellon Township Limited is committed to holding a high standard of ethical and lawful behaviour in all our activities which are led by the board of Directors and implemented by all associated with the charity. There was no remuneration paid to key management during the financial year. Key management refers to directors of the company.

Directors, secretary and their interests

The directors and secretary and their interests in the shares of the company at 31st December 2015 and 31st December 2014 are as follows:

	31/12/2015	31/12/2014
	No. of	No. of
	Ordinary	Ordinary
	shares	shares
	€1	€1
Niall Mellon	1	1
Andrew Brennan	1	1
Patrick O'Reilly	1	1
	<u>1</u>	<u>1</u>

Except where indicated, the Directors served for the entire financial year. The Directors are not required to retire by rotation. The board of Directors are appointed by the members at an Annual General Meeting. The Directors are responsible and accountable for the management and activities of the company

The company secretary throughout the year was Jacinta Morley.

Mellon Township Limited has the following branches:

- Mellon Educate Organisation, Kenya
- The Niall Mellon Township Initiative, Ltd, USA
- The Niall Mellon Township Trust, Congo

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

We educate impoverished African children. Our mission is to provide education assistance for 100,000 children. To successfully achieve this: we build quality facilities if required and we provide in-depth training for the incumbent school managers/principals and teachers to empower them to deliver ongoing better results sustainably. In some cases, this involved taking over the complete management of the school for up to a five-year period. We are committed to a culture of best practice and equality throughout our organisation.

The main activities of the company are to raise awareness of our mission with personal, corporate donors and institutional donors to raise funds for our schools in Africa to enable us to provide the training and management to equip these schools with the necessary skills to ultimately self-manage their own school.

Our initial fundraising in the Ireland is primarily achieved by our donors and volunteers, who sign up for our annual building blitz. The volunteers must raise €4,500 each and are then included in the team that travel to our blitz schools in South Africa. They spend a week there doing construction work to improve the facilities and classrooms in schools in underprivileged townships.

Public Benefit Entity

Mellon Township Limited is a public benefit entity whose main objective is to raise funds for the benefit of the underprivileged children in Africa by providing:

- resources to improve the classrooms and facilities
- and to assist the teachers to improve the standard of education offered in the classrooms.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

2015 Building Blitz, Ukanyo Primary School, Western Cape, South Africa

During the week starting on the 7th November 2015, 260 volunteers (Including 55 that volunteered through our UK Charity) flew to Cape Town, they came from across the world: we had representatives from Ireland, UK, Germany, the Netherlands, Venezuela and America. The 260 volunteers worked tirelessly building across 4 projects. The main site was Ukanyo Primary School. This was transformed by the reconstruction of 11 classrooms for over 400 children and new toilet facilities, for 2,500 children replacing temporary structures with impressive permanent school buildings. In addition, there are more volunteers signed up for the 2016 Blitz, which is great news for the charity.

Implementation of the Mellon Results Programme

This is the core of our education programme.

The senior management of this charity was focussed on continuing the work that was started in 2014 on training to support the teachers and support the team employed in South Africa. The support that this charity can give to Mellon Educate (South Africa) (MHI) will directly benefit the organisation in our ability to provide expanded programmes in additional schools in Africa.

We aim to work in partnership with government bodies to achieve the template of excellence in education and to build better lives through education.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS ANNUAL REPORT

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE - continued

Our specialist teachers primary focus is on the key learning areas of reading, writing and arithmetic. Our Specialist Principals focus is to provide additional training to the incumbent principals in our programme schools. Mellon Educate baseline tests were written in Maths and English to accurately gauge each pupil's academic level, as well as understand which sections of the syllabus required urgent attention. Following this, our specialists have been working with schools' teachers mentoring the preferred methodology of curriculum delivery to improve results. In order to fast track the learning of the pupils, many of whom are significantly behind in the acceptable educational performance of their peer groups.

2016 After School Programme

We intend introducing an after school and holiday programme. This additional tutoring will help pupil's academic development, which will be a critical intervention and we hope will assist in our target for significant improvement in results.

We also intend in 2016 to step up to managing two/three schools directly in South Africa ourselves as part of developing our capacity within the Mellon Educate Team. If this programme is successful we believe it could be instrumental in the delivery of the South African Government education objectives.

Since the financial year end, Mellon Educate has continued working with Kenyan and South African governments, demonstrating the quality and efficiency of work that has been done. A school building blitz has been planned for November 2016 in Cape Town, South Africa.

Kenya Schools projects: Construction of a Secondary School in the Sultan Hamud region of Nairobi

Mellon Township Limited constructed an administrative building and additional classrooms for this school over the later part of the year, the school was completed in November 2015 at a total cost of €448,000. This brings to three the number of schools we have built or refurbished in Nairobi, Kenya.

FINANCIAL REVIEW

The statement of financial activities and balance sheet are set out on pages 12 and 13. The deficit for the year amounted to €1,025,530 (2014: deficit €1,082,077). The deficit has arisen primarily due to the construction costs for the new schools, and our continued support of our education programmes. The charitable expenditure of 2015 €1,294,447 is comparable to that of our previous financial year 2014 €1,353,151 and this demonstrates our continued commitment to our objectives.

In November 2013 the company invested €1,000,000 into an Irish investment fund. At the financial year end the fund was valued at €1,713,103. The gains from the investment have been recorded as an unrealised gain on investments.

POLITICAL DONATIONS

No political donations have been made by the company.

EVENTS SINCE THE FINANCIAL YEAR END

There have been no significant transactions since the financial year end.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS ANNUAL REPORT

FUTURE DEVELOPMENTS

Mellon Township Limited through its educational initiative, Mellon Educate, continue to progress our mission of providing sustainable educational improvements for over 100,000 impoverished children across Africa.

RESERVES

Unrestricted reserves indicate the resources on which the group can draw in order to continue its work in the event of a downturn in income. The level of unrestricted reserves held at the end of 2015 is €1,817,232 (2014: €2,558,135) and is considered adequate and is in line with our reserves policy.

The unrestricted funds will be utilized to continue the support of the School Building Blitzes and Mellon Educate Results programme.

PRINCIPAL RISKS AND UNCERTAINTIES

The company raises the majority of funds from volunteers and donations from the Republic of Ireland. Volunteer expenditure is incurred in the Republic of Ireland for flights and logistics for the Building Blitzes. Charitable activities also include expenditure on Construction Projects in Africa and hence there is exposure to currency risk. The Company does not enter into foreign exchange forward contracts but continually monitors currency movements.

The company does not rely on significant borrowings and has a minimal exposure to interest rate risk. The company is in a strong liquidity position and does not foresee any cash flow risk in the near future. The company's policy is to ensure that sufficient resources are available from cash balances, cash flows and near cash liquid investments to ensure all obligations can be met when they fall due.

The directors are aware of the major risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved in accordance with Section 332 of the Companies Act 2014 has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that the Directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS ANNUAL REPORT

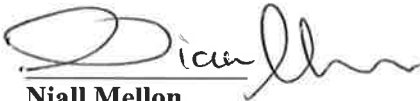
ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting records. The books of account for the Company are maintained at Lynx House, Old Church Road, Lower Kilmacud Road, Stillorgan, Co. Dublin.

Auditors

The auditors, BDO, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Signed by order of the Directors



Niall Mellon
Director



Andrew Brennan
Director

Approved by the Directors on 22 November 2016

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Irish Company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland ("relevant financial reporting framework"). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Directors



Niall Mellon
Director



Andrew Brennan
Director

Approved by the Directors on 22 November 2016



Independent Auditors' Report to the Members of Mellon Township Limited

We have audited the financial statements of Mellon Township Limited for the financial year ended 31 December 2015 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes. The relevant financial reporting framework that has been applied in their preparation is Companies Act 2014 and FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Independent Auditors' Report to the Members of Mellon Township Limited – continued

Opinion on financial statements

In our opinion the financial statements:


- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2015 and of its results for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and in particular with the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



John O'Callaghan
For and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876

Date 22 November 2016.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

STATEMENT OF FINANCIAL ACTIVITIES

Incorporating the Income and Expenditure Account

For the year financial ended 31 December 2015

	Notes	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total (Restated) 2014 €
INCOME FROM					
Charitable Activities	3	90,000	764,737	854,737	784,438
Other incoming resources	4	-	7,794	7,794	62,317
TOTAL INCOME		90,000	772,531	862,531	846,755
EXPENDITURE ON:					
Charitable activities	5	90,000	1,204,447	1,294,447	1,353,151
Raising funds	6	-	593,614	593,614	575,681
TOTAL EXPENDITURE		90,000	1,798,061	1,888,061	1,928,832
UNREALISED GAIN ON INVESTMENTS	10	-	284,627	284,627	428,476
NET DEFICIT		-	(740,903)	(740,903)	(653,601)
FUND BALANCES AT START OF FINANCIAL YEAR	14	-	2,558,135	2,558,135	3,211,736
FUND BALANCES AT END OF FINANCIAL YEAR	14	-	1,817,232	1,817,232	2,558,135

All activities relate to continuing activities.

There are no recognised gains and losses other than as stated above.

The notes on page 15 to 25 form part of these Financial Statements.

The financial statements were approved by the Board of Directors on 22 November 2016.


Niall Mellon
Director


Andrew Brennan
Director

Mellon Township Limited

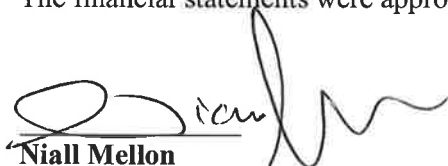
Financial Statements for the financial year ending 31 December 2015

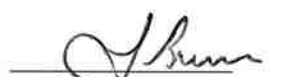
BALANCE SHEET

At 31 December 2015

		31 December 2015	31 December 2014 (Restated)
	Notes	€	€
FIXED ASSETS			
Tangible fixed assets	9	<u>27,281</u>	<u>37,012</u>
		27,281	37,012
CURRENT ASSETS			
Short term Deposits & Investments	10	1,713,103	1,428,476
Debtors	11	23,778	7,389
Cash and cash equivalents	12	<u>165,241</u>	<u>1,395,712</u>
		1,902,122	2,831,577
CREDITORS (Amount falling due within one financial year)	13	<u>112,164</u>	<u>310,447</u>
NET CURRENT ASSETS		<u>1,789,958</u>	<u>2,521,130</u>
TOTAL NET ASSETS		<u>1,817,239</u>	<u>2,558,142</u>
FUNDS			
Share capital	17	7	7
Unrestricted funds	14	1,817,232	2,558,135
Restricted funds	14	-	-
TOTAL FUNDS		<u>1,817,239</u>	<u>2,558,142</u>

The financial statements were approved by the Board on 22 November 2016 and signed on its behalf by:


Niall Mellon
Director


Andrew Brennan
Director

The notes on page 15 to 25 form part of these Financial Statements.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

CASH FLOW STATEMENT

For the financial year ended 31 December 2015

	2015 €	2014 €
Net cash (outflow) from operating activities	(1,232,278)	(807,063)
<u>Return on investments:</u>		
Deposit interest income	4 3,557	62,317
<u>Capital expenditure:</u>		
Payment to acquire fixed assets	9 (1,750)	(18,273)
Cash from Short term deposit accounts	-	999,241
(DECREASE) / INCREASE IN CASH	(1,230,471)	236,222
RECONCILIATION OF NET CASH FLOW		
(Decrease) / Increase in cash	(1,230,471)	236,222
Bank balances at beginning of financial year	1,395,712	1,159,490
BANK BALANCES AT END OF FINANCIAL YEAR	12 165,241	1,395,712

	2015 €	2014 €
RECONCILIATION OF NET INCOMING (OUTGOING) RESOURCES TO CASH (OUTFLOW) FROM OPERATING ACTIVITIES		
Net (outgoing) resources	(1,025,530)	(1,082,077)
Depreciation	9 11,481	7,387
Deposit interest income	4 (3,557)	(62,317)
(Increase)/Decrease in Debtors	11 (16,389)	43,703
(Decrease)/Increase in Creditors	13 (198,283)	286,241
Net cash (outflow) from operating activities	(1,232,278)	(807,063)

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the company's financial statements:

(a) Basis of Accounting

The financial statements have been prepared on a going concern basis in accordance with Financial Reporting Standard 102 ("FRS 102") 'The Reporting Standard applicable in the UK and Ireland' as issued by the Financial Reporting Council, the Companies Act 2014 and with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charity Commissioners in the UK.

Information on the impact of first-time adoption of FRS 102 is given in note 25.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The following principal accounting policies have been applied:

(b) Restricted Funds

Restricted funds are funds received which can only be used for particular purposes specified by the donors and are binding on the company. Such purposes are within the overall aims of the company.

(c) Unrestricted Funds

Unrestricted funds are those which are expendable at the discretion of the company in furtherance of the objects of the charity.

(d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the company is entitled to the income and the amount can be measured with reasonable accuracy and is probable. The following specific policies are applied to particular categories of income:

- **Fundraising Income:** Fundraising income is credited to the Statement of Financial Activities at the time of receipt.
- **Investment Income:** Income earned on funds held on deposit is treated as unrestricted income and is credited when earned.
- **Donations:** Donations are raised by volunteers and are taken into account at the time of receipt.

(e) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and is recorded as part of the expenditure to which it relates. Cost of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes. Expenditure on charitable activities is those costs incurred by the charity in the delivery of its services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

(f) Reserves Policy

Unrestricted reserves indicate the resources on which the company can draw in order to continue its work in the event of a downturn in income. The level of unrestricted reserves held at the end of 2015 is considered adequate and in line with our reserves policy.

(g) Tangible Fixed Assets

Tangible fixed assets currently in use in furtherance of the charity's objectives are stated in the balance sheet at cost less accumulated depreciation. A small number of assets not currently in use in furtherance of the charity's objectives are stated at the lower of cost less accumulated depreciation and net market value. Depreciation is provided on tangible assets, so as to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Motor vehicles	20% per annum
Computer equipment	25% per annum
Fixtures, Fittings & Equipment	25% per annum

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

(h) Investments

Financial assets are measured at fair value in accordance with FRS 102. The gains from the investment are recognised in the financial statements. The investment is monitored and can be realised in the short term.

(i) Debtors

Short term debtors are measured at transaction price, less any impairment.

(j) Creditors

Short term creditors are measured at the transaction price.

(k) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

(l) Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. Basic financial instruments are recorded at transaction price.

(m) Going Concern

The directors believe that the company have adequate resources to continue in the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Establishing lives for depreciation purposes of tangible fixed assets.

Long-lived assets, consisting primarily of motor vehicles, computer equipment and office equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives are included in the accounting policies.

3. Income from Charitable Activities

	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total 2014 €
Income from Volunteers attending the building blitz		699,811	699,811	642,886
Funds received from related entities		26,717	26,717	87,897
Fundraising activities	90,000	38,209	128,209	53,655
	<u>90,000</u>	<u>764,737</u>	<u>854,737</u>	<u>784,438</u>

4. Other Incoming Resources

	2015 €	2014 €
Investment income: Bank deposit interest	3,557	62,317
Exchange gains	4,237	-
	<u>7,794</u>	<u>62,317</u>

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

5. Expenditure on Charitable Activities

	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total 2014 €
2015 Building Blitz in South Africa	-	666,360	666,360	785,620
Kenyan School projects	90,000	376,043	466,043	468,563
South African results programme	-	122,260	122,260	-
Congo charitable expenditure	-	21,500	21,500	98,968
All other services and charitable activities	-	18,284	18,284	-
	<u>90,000</u>	<u>1,204,447</u>	<u>1,294,447</u>	<u>1,353,151</u>

6. Cost of Raising Funds

	2015 €	2014 €
General Expenses	<u>593,614</u>	<u>575,681</u>
	<u>593,614</u>	<u>575,681</u>

Costs are the cost of the support team, and office expenses for the office in Dublin, and costs attributed to travel during the year to South Africa and the UK by the charities employees and trustees overseeing the South African Charity, all additional income raised goes fully to support services and activities.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

7. Employees and Staff Costs

Mellon Township Limited employed an average of 8 people in 2015. Six people worked in the Dublin office and two people worked in Kenya.

(a) Number of employees	2015	2014
Average number of people employed (full-time and part-time)	8	7
	<hr/>	<hr/>
(b) Total staff costs	2015	2014
	€	€
Wages & salaries	242,818	206,971
Social welfare costs	16,984	16,737
Pension costs	-	-
	<hr/>	<hr/>
	259,802	223,708
	<hr/>	<hr/>
(c) Senior staff remuneration	2015	2014
The number of staff earning salaries over €40,000 is:	1	1
Band: €40,000 - €49,999	-	1
Band: €60,000 - €69,999	1	-

The Board oversees all matters relating to staff remuneration.

(d) Key management remuneration

There was no remuneration paid to key management during the year. Key management refers to the directors of the company

8. Support Costs and Allocation of Expenditure

(a) Support Costs

Support costs include secretary, audit and professional fees charged by external professional service providers.

(b) Allocation of expenditure

	Charitable activities €	Cost of generating funds €	Total Expenditure €
Direct expenditure	1,288,925	570,608	1,859,533
Allocation of support costs	5,522	23,006	28,528
Total resources expended	<hr/>	<hr/>	<hr/>
	1,294,447	593,614	1,888,061

Members of the Board of Directors do not receive remuneration for their services as directors. Expenses directly incurred by the directors in carrying out their role are reimbursed, if claimed.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

9. Tangible Fixed Assets

	Computer Equipment €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
Cost				
At 1 January 2015	11,948	38,213	22,000	72,161
Additions	1,568	182	-	1,750
At 31 December 2015	<u>13,516</u>	<u>38,395</u>	<u>22,000</u>	<u>73,911</u>
Depreciation				
At 1 January 2015	4,286	23,530	7,333	35,149
Charge for the financial year	3,379	3,702	4,400	11,481
At 31 December 2015	<u>7,665</u>	<u>27,232</u>	<u>11,733</u>	<u>46,630</u>
Net Book Value				
At 31 December 2015	<u>5,851</u>	<u>11,163</u>	<u>10,267</u>	<u>27,281</u>
At 31 December 2014	<u>7,662</u>	<u>14,683</u>	<u>14,667</u>	<u>37,012</u>

In respect of the prior year:

	Computer Equipment €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
Cost				
At 1 January 2014	89,364	65,451	22,000	176,815
Additions	3,590	14,683	0	18,273
Disposals	(81,006)	(41,921)	0	(122,927)
At 31 December 2014	<u>11,948</u>	<u>38,213</u>	<u>22,000</u>	<u>72,161</u>
Depreciation				
At 1 January 2014	82,305	65,451	2,933	150,689
Charge for the financial year	2,987	0	4,400	7,387
On disposals	(81,006)	(41,921)	0	(122,927)
At 31 December 2014	<u>4,286</u>	<u>23,530</u>	<u>7,333</u>	<u>35,149</u>
Net Book Value				
At 31 December 2014	<u>7,662</u>	<u>14,683</u>	<u>14,667</u>	<u>37,012</u>
At 31 December 2013	<u>7,059</u>	<u>0</u>	<u>19,067</u>	<u>26,126</u>

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

10. Short term deposits & Investments

	2015 €	2014 Restated €
Irish Life Fund investment	<u>1,713,103</u>	<u>1,428,476</u>

In November 2013, the Company invested €1,000,000 into an Irish investment fund.

The above amounts are stated at fair value in accordance with FRS 102. This resulted in a net unrealised gain of €254,627 (2014: €428,476).

11. Debtors (amounts falling due within one financial year)

	2015 €	2014 €
Deposits and other receivables	-	1,389
Prepayments and other debtors	<u>23,778</u>	<u>6,000</u>
	<u>23,778</u>	<u>7,389</u>

12. Cash and cash equivalents

	2015 €	2014 €
Cash and cash equivalents	<u>165,241</u>	<u>1,395,712</u>
	<u>165,241</u>	<u>1,395,712</u>

13. Creditors (amounts falling due within one financial year)

	2015 €	2014 €
Creditors and accruals	49,767	77,052
Payroll taxes	4,981	3,395
Related Parties (Note 23)	<u>57,416</u>	<u>230,000</u>
	<u>112,164</u>	<u>310,447</u>

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

14 (a) Movement in Funds

	At start of year 2015 €	Incoming Resource 2015 €	Outgoing Resource 2015 €	At end of year 2015 €
Restricted Funds	-	90,000	(90,000)	-
Unrestricted Funds	2,558,135	772,531	(1,798,061)	1,532,605
Unrealised Gain	-	284,627	-	284,627
Total	<u>2,558,135</u>	<u>1,237,158</u>	<u>(1,888,061)</u>	<u>1,817,232</u>

14 Movement in prior year

	At start of year 2014 €'000	Incoming Resource 2014 €'000	Outgoing Resource 2014 €'000	At end of year 2014 €'000
Restricted Funds	-	-	-	-
Unrestricted Funds	3,211,736	846,755	(1,928,832)	2,219,659
Unrealised Gain	-	428,476	-	428,476
Total	<u>3,211,736</u>	<u>1,275,231</u>	<u>(1,928,832)</u>	<u>2,558,135</u>

14 (b) Analysis of Net Assets

	Restricted Funds 2015 €	Unrestricted Funds 2015 €	At end of year 2015 €	At end of year 2014 €
Tangible Fixed Assets	-	27,281	27,281	37,012
Current Assets	-	1,902,122	1,902,122	2,831,577
Creditors: Amounts falling due within one financial year	-	(112,164)	(112,164)	(310,447)
Total	<u>-</u>	<u>1,817,239</u>	<u>1,817,239</u>	<u>2,558,142</u>

Unrestricted funds are funds that have been raised by the company and which are expendable at the discretion of the company in furtherance of the objects of the charity.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

15. Financial Instruments

	2015	Restated 2014
	€	€
Financial assets measured at fair value through the statement of financial activities		
Irish life investment	1,713,103	1,428,476
	<u>1,713,103</u>	<u>1,428,476</u>
 Financial assets that are debt instruments measured at amortised cost		
Other debtors	23,778	7,389
Cash at bank and in hand	165,241	1,395,712
	<u>189,019</u>	<u>1,403,101</u>
 Financial liabilities at amortised cost		
Trade creditors	49,767	77,052
Related parties	57,416	230,000
	<u>107,183</u>	<u>307,052</u>

16. Net Movement in Funds

	2015	2014
	€	€
Net movement in funds is stated after charging:		
Depreciation of tangible fixed assets	11,481	7,387
Auditors' remuneration	18,250	15,375
	<u>29,731</u>	<u>32,762</u>

As explained in Note 8, members of the Board of Directors do not receive remuneration for their services as directors.

17. Called Up Share Capital

	2015	2014
	€	€
Authorised Share Capital		
1,000 Ordinary Shares of €1.00 each	1,000	1,000
 Issued Share Capital		
7 Ordinary Shares of €1.00 each	7	7

18. Taxation

No charge to taxation arises as the company has been granted charitable exemption by the Revenue Commissioners.

19. Pensions

The company did not have a pension scheme in place for the reported periods.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

20. Capital Commitments

There were no capital commitments at the financial year end (2014 - €Nil).

21. Contingent Liabilities

There were no contingent liabilities at the financial year end (2014 - €Nil).

22. Post balance sheet events

No significant events have occurred since the balance sheet date which would require adjustment to the amounts as disclosed in the financial statements.

23. Related Party Transactions

During the financial year the company paid rent of €11,799 (2014 - €22,901) to a related party through directorship, namely Patrick O Reilly, for office accommodation. The amount outstanding at the year end was €Nil (2014 - €Nil).

Mellon Educate UK Ltd

Mellon Educate UK Ltd is a related party by virtue of common directors. During the financial year the Mellon Township Limited provided services and incurred expenses for the 2015 Blitz for Mellon Educate UK and they were reimbursed for these costs in the amount of €26,717 (2014: €31,250).

Mellon Housing Initiative

Mellon Housing Initiative is a related party by virtue of common directors. During the financial year the Mellon Housing Initiative provided services and incurred expenses for the 2015 Blitz for Mellon Township Limited and they were reimbursed for these costs in the amount of €61,612 (2014: €230,000).

24. Comparative Figures

The comparative figures have been regrouped where necessary on the basis consistent with the current financial year.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2015

NOTES TO THE FINANCIAL STATEMENTS – continued

25. First Time Adoption of FRS102

	<i>As previously stated 31 December 2014</i>	<i>Effect of transition 31 December 2014</i>	<i>FRS102 (as restated) 31 December 2014</i>
Tangible assets	37,012	-	37,012
Short term Deposits & Investments	1,000,000	428,476	1,428,476
Debtors	7,389	-	7,389
Cash at Bank	1,395,712	-	1,395,712
Creditors	(310,447)	-	(310,447)
Net assets	2,129,666	428,476	2,558,142
Share Capital	7	-	7
Unrestricted funds	2,129,659	428,476	2,558,135
Restricted funds	-	-	-
Total Funds	2,129,666	428,476	2,558,142
	<i>As previously stated 31 December 2014</i>	<i>Effect of transition 31 December 2014</i>	<i>FRS102 (as restated) 31 December 2014</i>
Incoming Resources			
Charitable Activities	696,541	-	696,541
Funds received from related entities	87,897	-	87,897
Other incoming resources	62,317	-	62,317
	846,755	-	846,755
Resources Expended			
Charitable activities	1,353,151	-	1,353,151
Raising funds	575,681	-	575,681
	1,928,832	-	1,928,832
Unrealised Gain on Investments	-	428,476	428,476
Net outgoing funds	(1,082,077)	428,476	(653,601)

26. Approval of the Financial statements

The board of directors approved these financial statements for issue on *22 November 2016*.